REMARKS

The Non-final Office Action mailed April 21, 2008, has been received and reviewed. Each of claims 1-30 stands rejected. Claims 21-25 and 30 have been amended herein. Support for the amendments may be found in the Specification, for instance, at p. 12, lines 16-30. It is respectfully submitted that no new matter has been added. Reconsideration of the above-identified application in view of the above amendments and the following remarks is respectfully requested.

Rejections based on 35 U.S.C. § 112

Claims 19 and 20 have been rejected under 35 U.S.C. § 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

In particular, the Office asserts that claims 19 and 20 provide for the use of "data format," but, since the claims do not set forth any steps involved in the method/process, it is unclear what method/process applicant is intending to encompass.

It is respectfully submitted that claims 19 and 20 are directed to a system, and in particular, the system recited in claim 12 of the present application. As recited in claims 19 and 20, the term "data format" is not directed to a method/process as indicated by the Office in the Non-final Office Action, instead the term "format" is a noun (as opposed to a verb as the Office appears to interpret the term) relating to the order or structure of the data. For example, the Specification provides a discussion that states, in part, "the conversion data preferably conforms to a common format shared by the search engine server and destination Web sites, but may alternatively have a specific format that is unique to a particular destination Web site..." *See Specification,* p. 3, line 29 through p.4, line 2.

Therefore, it is respectfully submitted that the use of the term "data format" as recited in claims 19 and 20 is not directed to a method/process as asserted by the office, instead the term is utilized to further define a feature of the system from which the claims depend. Accordingly, for at least the above-cited reasons, it is respectfully requested that the 35 U.S.C. § 112, second paragraph rejection of claims 19 and 20 be withdrawn.

Rejections based on 35 U.S.C. § 102(b)

"A claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference." *Verdeggal Brothers v. Union Oil Co. of California*, 814 F.2d 628, 631, 2 USPQ2d 1051, 1053 (Fed. Cir. 1987). "The identical invention must be shown in as complete detail as is contained in the . . . claim." *Richardson v. Suzuki Motor Co.*, 868 F.2d 1226, 1236, 9 USPQ2d 19133, 1920 (Fed. Cir. 1989); *see also*, MPEP § 2131.

Claims 1-16 and 18-30 have been rejected under 35 U.S.C. § 102(b) as being anticipated by U.S. Publication No. 2003/0046161 to Kamangar et al. (hereinafter the "Kamangar reference"). As the Kamangar reference does not describe, either expressly or inherently, each and every element of the rejected claims, Applicants respectfully traverse the rejection as hereinafter set forth.

Independent claim 1 is directed to a method for optimizing the use of paid placement space in a search results Web page. The method includes monitoring a performance of a paid listing placed for a fee in a search results Web page. The method also includes receiving conversion data associated with the paid listing, *the conversion data representing sales revenue resulting from a user referral to a destination Web site* associated with the paid listing. The method additionally includes *determining a paid yield* associated with the paid listing based

on the latest performance and conversion data, wherein *the paid yield represents sales revenue resulting from all user referrals to the destination Web site* over a period of time. The method further includes placing the paid listing in the search results Web page based on the paid yield.

By way of contrast, the Kamangar reference describes ordering (ranking) advertisements requested by an ad consumer based on scores generated for the ads. A score may be a function of at least one performance parameter associated with the ad and/or a price parameter associated with the ad. *See Kamangar reference,* Abstract. It is respectfully submitted that the Kamangar reference fails to anticipate, among other elements, "receiving conversion data associated with the paid listing, *the conversion data representing sales revenue resulting from a user referral to a destination Web site* associated with the paid listing." (emphasis added). It is respectfully submitted that a price parameter paid to list an advertisement is different from *sales revenue resulting from a user referral to a destination Web site*, as recited in claim 1. In accordance with embodiments of the invention set forth in claim 1, the conversion data is defined to represent *sales revenue resulting from a user referral to a destination Web site* associated with the paid listing. The absence of any discussion in the Kamangar reference to conversion data that represents sales revenue resulting from the user selection of the paid listing prevents the Kamangar reference from, among other things, determining a paid yield, as recited in claim 1.

The Office asserts that the Kamangar reference anticipates "receiving conversion data associated with the paid listing, the conversion data representing sales revenue resulting from a user referral to a destination Web site associated with the paid listing" at paragraph 13 of the Kamangar reference. *See Non-final Office Action dated 04/21/2008*, p. 3. The cited portion of the Kamangar reference relates to the ordering (read ranking) of advertisements, which may

be "done based on both accepted ad price information and ad performance information." *See Kamangar,* ¶[0012]. Paragraph [0013] of the Kamangar includes a listing of what price information may be based on. *See Kamangar reference*, ¶[0013]. The price information may be based on "an amount the advertiser has agreed to pay each time the ad is rendered and a conversion, associated with the ad, occurs." *Id.* The Kamangar reference continues to discuss exemplary performance parameters that include "a conversion count (e.g., the number of time a transaction, associated with an ad, is consummated, either immediately or at some later time)." *See Kamangar reference*, ¶[0040].

It is respectfully submitted that the Kamangar reference fails to anticipate conversion data where the "conversion data representing *sales revenue*" as recited in claim 1. Instead, the Kamangar reference, at the most describes a conversion count, the number of consummated transaction, which does not anticipate receiving *sales revenue* information. For example, the present application describes the calculation of a conversion rate, which is "determined by dividing the total *conversion dollar amount represented in the listing's conversion data* 122 by the CTR represented in the listing's performance data 114." *See Specification*, p. 11, lines 2-4 (emphasis added). It is respectfully submitted that sales revenue, which may be represented by a dollar amount, is not explicitly or inherently discussed in the Kamangar reference. Therefore, it is respectfully submitted that the Kamangar reference fails to anticipate "receiving conversion data associated with the paid listing, the conversion data representing sales revenue resulting from a user referral to a destination Web site associated with the paid listing" of claim 1.

Additionally, it is respectfully submitted that the Kamangar reference fails to anticipate "determining a *paid yield* associated with the paid listing based on the latest

performance and conversion data, wherein the *paid yield represents sales revenue* resulting from all user referrals to the destination Web site over a period of time" as recited in claim 1 (emphasis added). The Office asserts that the Kamangar reference anticipates determining a paid yield, wherein the paid yield represents sales revenue at paragraph 13. *See Non-Final Office Action dated 04/21/2008,* p. 3. It is respectfully submitted that the Kamangar reference fails to anticipate, either expressly or inherently, this feature. Applicant has been unable to ascertain any discussion of the Kamangar reference that relates to any data that "represents sales revenue resulting from all user referrals to the destination website..." as recited in claim 1.

As previously discussed with reference to conversion data, paragraph 13 of the Kamangar reference is directed to a bases for price information. Examples of bases provided by paragraph 13 include "(a) an amount an advertiser has agreed to pay each time the ad is rendered, (b) an amount an advertiser has agreed to pay each time the ad is rendered and selected, (c) an average over time of the amount the advertiser has agreed to pay each time the add is rendered and selected..." *See Kamangar reference*, ¶[0013]. The portion cited by the Office to anticipate a paid yield wherein the *paid yield represents sales revenue* resulting from all user referrals to the destination Web site, fails to relate to, or represent sales revenue. It is respectfully submitted, the Kamangar reference's failure to expressly or inherently discuss paid yield as recited in claim 1, prevents the Kamangar reference from anticipating claim 1.

Accordingly, it is respectfully submitted that the Kamangar reference fails to describe, either expressly or inherently, each and every element of independent claim 1. Moreover, the Kamangar reference fails to show the identical invention in as complete detail as contained in the claim. Thus, it is respectfully submitted that claim 1 is not anticipated by the

Kamangar reference. Therefore, withdrawal of the 35 U.S.C. § 102(b) rejection of claim 1 is respectfully requested.

Each of claims 2-11 depends, either directly or indirectly, from independent claim 1. As such, it is respectfully submitted that the Kamangar reference fails to describe, either expressly or inherently, each and every element of these claims for at least the above-cited reasons. Accordingly, withdrawal of the 35 U.S.C. § 102(b) rejection of claims 2-11 is respectfully requested.

Independent claim 12 recites a paid listing yield optimization system. The optimization system includes a performance data repository containing performance data for a paid listing placed in a search results Web page, the performance data indicating how many times users visited a destination Web site by clicking on the paid listing. The optimization system also includes a conversion data repository containing conversion data for the paid listing, the *conversion data indicating how much money was generated when a user visited the destination Web site*. The optimization additionally includes a processor to calculate a paid yield associated with the paid listing based on current performance and conversion data, *the paid yield indicating how much money was generated when users visited the destination Web site* over a period of time, and to place the paid listing on the search results Web page in exchange for a portion of the paid yield.

It is respectfully submitted that the Kamangar reference fails to anticipate, either expressly or inherently, either conversion data or a paid yield that indicates "how much money was generated when users visited the destination Web site" as recited in claim 12. The Office asserts that paragraphs 40-42 of the Kamangar reference discuss the elements of claim 12. *See Non-final Office Action dated 04/21/2008,* p. 6. The Kamangar reference generally discusses

performance parameters of an advertisement at the cited paragraphs. *See Kamangar reference*, ¶¶[0040]-[0042]. As previously discussed, the Kamangar reference fails to discuss the revenue of a Web site as a result of the users being directed to the Web site by way of an advertisement. Instead, the performance parameters discussed by the Kamangar reference at the most discuss the number of times a transaction is consummated. *See Kamangar reference,* ¶[0040]. A counting of the number of consummated transaction, as discussed In the Kamangar reference, does not anticipate, either expressly or inherently, indicating how much money was generated when users visited the destination Web site, as recited in claim 12.

Accordingly, it is respectfully submitted that the Kamangar reference fails to describe, either expressly or inherently, each and every element of independent claim 12. Moreover, the Kamangar reference fails to show the identical invention in as complete detail as contained in the claim. Thus, it is respectfully submitted that claim 12 is not anticipated by the Kamangar reference. Therefore, withdrawal of the 35 U.S.C. § 102(b) rejection of claim 12 is respectfully requested.

Each of claims 13-16 and 18-20 depends, either directly or indirectly, from independent claim 12. As such, it is respectfully submitted that the Kamangar reference fails to describe, either expressly or inherently, each and every element of these claims for at least the above-cited reasons. Accordingly, withdrawal of the 35 U.S.C. § 102(b) rejection of claims 13-16 and 18-20 is respectfully requested.

Independent claim 21 recites computer-accessible medium having instructions for making optimal use of paid placement space on a search results user interface. The instruction include recording a number of times a user navigates from a paid listing placed in a search results user interface to a destination Web site associated with the listing. The instructions also

include capturing a revenue amount of purchases generated at the destination Web site as a result of the user navigation. The instructions additionally include *calculating a paid yield* of the paid listing *based on the number of user navigations and the revenue amount of purchases*. The instruction also include placing the paid listing on the search results user interface in exchange for a share of the paid yield, wherein the *placement in the search results user interface is determined, in part, by the captured revenue amount of purchases and the calculated paid yield.*

It is respectfully submitted that the Kamangar reference fails to anticipate, at least, *calculating a paid yield* of the paid listing *based on the number of user navigations and the revenue amount of purchases* as recited in claim 21. Similarly to the previous discussions with reference to claims 1 and 12, the Kamangar reference fails to discuss a paid yield that is based on the number of user navigation and the revenue amount of purchases. This is in part, because the Kamangar reference fails to discuss any aspect of revenue as it relates to the advertiser's Web site and the utilization of the advertisement by users. Instead, the Kamangar reference discusses the use of price information the advertiser pays to display an advertisement. The price information is not described to have a relationship to the revenue the advertisers generates as a result of a user's selection of the advertisement.

Additionally, it is respectfully submitted that the Kamangar reference, fails to anticipate placing the paid listing on the search results user interface in exchange for a share of the paid yield, wherein the *placement in the search results user interface is determined, in part, by the captured revenue amount of purchases and the calculated paid yield,* as recited in independent claims 21 (emphasis added). While it is conceded that the Kamangar reference is directed to ordering advertisements, the Kamangar reference fails to determine the order of the advertisements in part, "by the captured revenue amount of purchases and the calculated paid

yield" as recited in claim 21. Because, as previously discussed, the Kamangar reference fails to describe either expressly or inherently the capturing of the revenue amount of purchases and it also fails to describe calculating the paid yield. Therefore, the Kamangar reference fails to place the listing on the search result user interface based, in part, on the captured revenue amount and the calculated paid yield.

Accordingly, it is respectfully submitted that the Kamangar reference fails to describe, either expressly or inherently, each and every element of independent claim 21. Moreover, the Kamangar reference fails to show the identical invention in as complete detail as contained in the claim. Thus, it is respectfully submitted that claim 21 is not anticipated by the Kamangar reference. Therefore, withdrawal of the 35 U.S.C. § 102(b) rejection of claim 21 is respectfully requested.

Each of claims 22-30 depends, either directly or indirectly, from independent claim 12. As such, it is respectfully submitted that the Kamangar reference fails to describe, either expressly or inherently, each and every element of these claims for at least the above-cited reasons. Accordingly, withdrawal of the 35 U.S.C. § 102(b) rejection of claims 22-30 is respectfully requested.

Rejections based on 35 U.S.C. § 103(a)

Title 35 U.S.C. § 103(a) declares, a patent shall not issue when "the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains." The Supreme Court in *Graham v. John Deere* counseled that an obviousness determination is made by identifying: the scope and content of the prior art; the level of ordinary skill in the prior art; the differences between the

claimed invention and prior art references; and secondary considerations. *Graham v. John Deere Co.*, 383 U.S. 1 (1966).

To support a finding of obviousness, the initial burden is on the Office to apply the framework outlined in *Graham* and to provide some "articulated reasoning with some rational underpinning to support the legal conclusion of obviousness." *KSR Int'l Co. v. Teleflex Inc.,* 127 S. Ct. 1727 at 1741, 82 USPQ2d at 1396 (quoting *In re Kahn*, 441 F.3d 977, 988, 78 USPQ2d 1329, 1336 (Fed. Cir. 2006) with approval)." *See also* MPEP § 2142. "[R]ejections on obviousness cannot be sustained with mere conclusory statements." *Id.* Thus, in order to establish a *prima facie* case of obviousness the Office must provide "a clear articulation of the reason(s) why the claimed invention would have been obvious" based on factual findings made while conducting the *Graham* factual inquires. *See* MPEP § 2143. The Supreme Court in *KSR* noted that the analysis supporting a rejection under 35 U.S.C. 103 should be made explicit. *Id.*

Claim 17 has been rejected under 35 U.S.C. § 103(a) as being unpatentable over the Kamangar reference in view of an official notice. The Non-final Office Action notes that Kamangar does not explicitly disclose the processor receives updates to the conversion data repository from a third party vendor that tracks how much money was generated when the user visited the destination site. *See Non-final Office Action dated 04/21/2008*, p. 12. It is respectfully submitted that the Office's overly broad generalization that "the use of a third-party vendor to track statistics at a website is certainly well known to those of ordinary skill in the art" at least fails to rise to the level of teaching or suggesting a processor that receives updates to the conversion data repository from a *third party vendor that tracks how much money was generated when the user visited the destination site. Id.*

Additionally, because claim 17 is dependent on claim 12, and the "official notice" does not overcome the previously discussed deficiencies of the Kamangar reference as it relates to claim 12, it is respectfully submitted that claim 17 is in allowable condition as the Kamangar reference, either alone or in combination with the "official notice," fail to teach or suggest each of the limitations of dependent claim 17. Therefore, a *prima facie* case of obviousness has not been established for dependent claim 17 and Applicant respectfully request withdrawal of the 35 U.S.C. § 103(a) rejection of the claim.

CONCLUSION

For at least the reasons stated above, claims 1-30 are now in condition for allowance. Applicants respectfully request withdrawal of the pending rejections and allowance of the claims. If any issues remain that would prevent issuance of this application, the Examiner is urged to contact the undersigned – 816-474-6550 or cwfisher@shb.com (such communication via email is herein expressly granted) – to resolve the same. It is believed that no fee is due, however, the Commissioner is hereby authorized to charge any amount required to Deposit Account No. 19-2112 referencing Attorney Docket No. MFCP.140316.

Respectfully submitted,

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